

MINUTE ITEM

14. (A) APPLICATION TO MODIFY AGREEMENT AND TO COMPLETE LAND EXCHANGE;
HUNTINGTON HARBOUR CORPORATION; HUNTINGTON BEACH - P.R.C. 2686.1.

AND

(B) APPLICATION FOR AGREEMENT STIPULATING ORDINARY LOW-WATER MARK, AGREEMENT
FOR THE EXCHANGE OF LANDS, AND FOR PERMIT TO FILL SUBMERGED LANDS; HUNTINGTON
HARBOUR CORPORATION; HUNTINGTON BEACH, ORANGE COUNTY - W.O. 4116, P.R.C.
2818.1(A), (B), (C).

Following joint consideration of Calendar Items 16 and 17 attached, and upon
motion made and carried unanimously, the following two resolutions were
adopted:

(A) THE COMMISSION:

1. APPROVES AN AMENDMENT TO THE PROPOSED EXCHANGE (MINUTE ITEM 34, COMMISSION
MINUTES OF DECEMBER 22, 1960) TO REDUCE THE AREA OF STATE LANDS FROM 23.3
ACRES TO APPROXIMATELY 17.91 ACRES LYING IN THE BEDS OF SLOUGHS IN SUNSET
BAY AREA, ORANGE COUNTY, AND TO INCREASE FROM 61.3 ACRES TO APPROXIMATELY
66.47 ACRES THE LANDS OF HUNTINGTON HARBOUR TO BE CONVEYED IN THE EXCHANGE.
2. AUTHORIZES THE DELETION FROM THE PATENT (ATTACHED AS EXHIBIT "A" OF EXHIBIT
1) OF THE RESERVATION OF THE RIGHT OF THE STATE TO OCCUPY AND USE SO MUCH OF
THE SURFACE OF THE CONVEYED LANDS AS MAY BE REQUIRED FOR MINERAL EXTRACTION
PURPOSES, AND FURTHER AUTHORIZES THE ACCEPTANCE OF THE ASSIGNMENT OF
DRILLSITE AND RIGHTS WITH RESPECT THERETO (ATTACHED AS EXHIBIT 12).
3. APPROVES THE ADDITION OF A COVENANT TO THE CORPORATION GRANT DEED TO
GUARANTEE PUBLIC ACCESS TO THE NEWLY CREATED WATERWAY BY TWO TEMPORARY
ROUTES AND, FINALLY, BY PERMANENT ACCESS ROUTES TO BE APPROVED SUBSE-
QUENTLY BY THE COMMISSION.
4. FINDS AND DETERMINES THAT HUNTINGTON HARBOUR CORPORATION HAS COMPLIED
WITH ALL OF THE TERMS, PROVISIONS, COVENANTS AND CONDITIONS OF THE
EXCHANGE AGREEMENT (AS AMENDED) AND THE PERMIT TO DREDGE AND FILL, AND
THAT THE EXCHANGE OF LANDS SHOULD BE FINALLY CONSUMMATED, SUBJECT TO
DETERMINATION BY THE OFFICE OF THE ATTORNEY GENERAL THAT HUNTINGTON
HARBOUR CORPORATION IS ABLE TO FURNISH THE STATE MARKETABLE TITLE.

(B) THE COMMISSION:

1. FINDS AND DETERMINES THE PROPOSED EXCHANGE OF 0.97 ACRE OF STATE LANDS
LYING IN THE BED OF A SLOUGH IN SUNSET BAY AREA, ORANGE COUNTY, FOR 3.56
ACRES OF LANDS OWNED BY HUNTINGTON HARBOUR CORPORATION TO BE IN THE BEST
INTERESTS OF THE STATE FOR THE IMPROVEMENT OF NAVIGATION, FOR AID IN
RECLAMATION, AND FOR FLOOD CONTROL PROTECTION.

2. AUTHORIZES THE EXECUTIVE OFFICER:

- A. TO EXECUTE AN AGREEMENT AS TO THE LOCATION OF THE ORDINARY LOW-WATER MARK, IN THE FORM OF EXHIBIT 1 ATTACHED.
- B. TO EXECUTE AN AGREEMENT, IN THE FORM OF EXHIBIT 2 HEREOF, FOR THE EXCHANGE OF LANDS WITH HUNTINGTON HARBOUR CORPORATION, SUBJECT TO DETERMINATION BY THE OFFICE OF THE ATTORNEY GENERAL THAT HUNTINGTON HARBOUR CORPORATION IS ABLE TO FURNISH THE STATE MARKETABLE TITLE.
- C. TO ISSUE A PERMIT TO FILL, IN THE FORM OF EXHIBIT 3 ATTACHED.

Attachments

Calendar Item 16 (21 pages)
Calendar Item 17 (20 pages)

CALENDAR ITEM

16.

APPLICATION TO MODIFY AGREEMENT AND TO COMPLETE LAND EXCHANGE; HUNTINGTON HARBOUR CORPORATION; HUNTINGTON BEACH - P.R.C. 2686.1.

On December 22, 1960 (Minute Item 34, pages 6601-20), the Commission authorized the Executive Officer to enter into an agreement with Huntington Harbour Corporation to exchange approximately 23.3 acres of State land in the bed of a navigable waterway for approximately 61.3 acres of privately owned land located in the bed of what was proposed to be made a navigable waterway. This exchange was to become effective at such time as the State lands had been filled and the proposed waterway had been constructed (P.R.C. 2686.1 (B)). The Executive Officer was also authorized to issue a permit to Huntington Harbour Corporation for the dredging and/or filling of the State lands involved in the transaction (P.R.C. 2686.1 (C)).

During the course of construction, the applicant's engineers, in collaboration with State engineers, determined that the lands in the new channel would be more accurately described by rewriting the legal description.

Huntington Harbour Corporation has requested modification of the exchange agreement to reduce by approximately 5.39 acres the acreage of State land to be conveyed, and to increase by approximately 5.17 acres the acreage to be conveyed to the State. The lands to be retained by the State include approximately 2.95 acres in the natural waterway at the mouth of the Orange County Flood Control Channel which are not practical to fill at the present time, and approximately 2.44 acres in a new cross channel 200 feet wide and 1,658 feet long, authorized by the U. S. Army Corps of Engineers. The additional 5.17 acres to be conveyed to the State are located in the latter channel.

The modified areas to be exchanged are described in attached Exhibits 2, 3, 4 and 9.

Staff appraisal of the total exchange areas including the proposed modification above has established the fair market value of the 17.91 acres of lands to be conveyed by the State at \$72,000, and of the 66.47 acres of lands to be conveyed to the State at \$265,000 plus the benefits which will be derived by the public through the improvement of navigation and in aid of reclamation and flood control.

To guarantee public access to the newly created waterways, Huntington Harbour Corporation has agreed to insert a covenant in the Corporation Grant Deed (Exhibit "B" of Exhibit 1) to require that they provide public access to the newly created waterways. Temporary access routes, to be approved by the Commission, shall be in effect until such time as the Commission shall approve the location of permanent routes and the latter will have been dedicated to the public.

Huntington Harbour Corporation has applied for Commission approval of the location of two temporary public access routes, one at the northwest end of Huntington Harbour (Exhibit "5" and the other at the southwest end of

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Huntington Harbour (Exhibit "6"). It is the opinion of the staff that these locations will be adequate for public access until the applicant's property is developed, subdivided, and permanent locations have been dedicated. Exhibits "7" and "8" also indicate the location of the two temporary access routes.

Paragraph 2 of the previously approved Exchange Agreement (P.R.C. 2686.1 (B)) provides that the Commission shall determine the size and location of the surface area (of the State lands to be conveyed) to be reserved to the State for mining and removal of minerals and oil. Staff engineers have determined that the mineral potential underlying the State lands to be conveyed can be satisfactorily developed by slant drilling from a centrally located drilling site in the shape of a parallelogram 12' feet deep by 185 feet long, fronting on the Coast Highway owned in fee by Huntington Harbour Corporation (see Exhibits 10 and 11). In accordance with this determination, Huntington Harbour Corporation has submitted for Commission approval an assignment to the State of the drillsite and the right to drill or tunnel under the lands of Huntington Harbour Corporation for such mineral and oil development (see Exhibit 12 attached). In return, the State would not reserve the right to occupy the surface of the lands to be granted to Huntington Harbour Corporation. Huntington Harbour Corporation would benefit by the removal of an undesirable condition affecting lands which it will develop as choice residential sites, and the State, as required by Public Resources Code Section 6401 (amended Ch. 1651, Stats. 1961), would benefit by obtaining a suitable drillsite without the necessity of indemnifying the surface owner for damages resulting from the utilization of a drillsite immediately overlying State minerals.

In compliance with a Huntington Harbour request that the dredging and filling operations be inspected in accordance with the Exchange Agreement and the Permit to Dredge and Fill (P.R.C. 2686.1 (C)), the staff has inspected the project site and have found that the State lands to be conveyed to Huntington Harbour have been filled, and that the lands which Huntington Harbour is to convey to the State have been dredged in compliance with the Exchange Agreement and the Permit to Dredge and Fill (P.R.C. 2686.1 (C)). (Air photos attached as Exhibits "7" and "8" show the status of project work prior to completion.)

A copy of the agreement to exchange, amended State Patent, amended Corporation Grant Deed, Assignment of Drillsite and Rights With Respect Thereto, and the Certification by the Executive Officer have been attached to this report to establish a record as to the conditions of the exchange. These documents have been reviewed and approved as to form by the Office of the Attorney General, subject to final determination by that office that marketable title to the exchange lands will pass from Huntington Harbour Corporation to the State.

IT IS RECOMMENDED THAT THE COMMISSION:

1. APPROVE AN AMENDMENT TO THE PROPOSED EXCHANGE (MINUTE ITEM 34, COMMISSION MINUTES OF DECEMBER 22, 1960) TO REDUCE THE AREA OF STATE LANDS FROM 23.3 ACRES TO APPROXIMATELY 17.91 ACRES LYING IN THE BEDS OF SLOUGHS

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IN SUNSET BAY AREA, ORANGE COUNTY, AND TO INCREASE FROM 61.3 ACRES TO APPROXIMATELY 66.47 ACRES THE LANDS OF HUNTINGTON HARBOUR TO BE CONVEYED IN THE EXCHANGE.

2. AUTHORIZE THE DELETION FROM THE PATENT (ATTACHED AS EXHIBIT "A") OF THE RESERVATION OF THE RIGHT OF THE STATE TO OCCUPY AND USE SO MUCH OF THE SURFACE OF THE CONVEYED LANDS AS MAY BE REQUIRED FOR MINERAL EXTRACTION PURPOSES, AND FURTHER AUTHORIZE THE ACCEPTANCE OF THE ASSIGNMENT OF DRILLSITE AND RIGHTS WITH RESPECT THERETO (ATTACHED AS EXHIBIT 12).
3. APPROVE THE ADDITION OF A COVENANT TO THE CORPORATION GRANT DEED TO GUARANTEE PUBLIC ACCESS TO THE NEWLY CREATED WATERWAY BY TWO TEMPORARY ROUTES AND, FINALLY, BY PERMANENT ACCESS ROUTES TO BE APPROVED SUBSEQUENTLY BY THE COMMISSION.
4. FIND AND DETERMINE THAT HUNTINGTON HARBOUR CORPORATION HAS COMPLIED WITH ALL OF THE TERMS, PROVISIONS, COVENANTS AND CONDITIONS OF THE EXCHANGE AGREEMENT (AS AMENDED) AND THE PERMIT TO DREDGE AND FILL, AND THAT THE EXCHANGE OF LANDS SHOULD BE FINALLY CONSUMMATED, SUBJECT TO DETERMINATION BY THE OFFICE OF THE ATTORNEY GENERAL THAT HUNTINGTON HARBOUR CORPORATION IS ABLE TO FURNISH THE STATE MARKETABLE TITLE.

Attachments

Exhibits 1 through 4
and 9, 10 & 12

EXHIBIT 1

AGREEMENT FOR THE EXCHANGE OF LANDS
IN THE SUNSET BEACH AREA,
ORANGE COUNTY, CALIFORNIA

THIS AGREEMENT, made and entered into this _____ day of
_____, 196____, by and between

THE STATE OF CALIFORNIA
(hereinafter referred to as "The State")

and

HUNTINGTON HARBOUR CORPORATION,
a Delaware corporation
(hereinafter referred to as "Huntington")

W I T N E S S E T H:

WHEREAS, Huntington on November 17, 1960, filed with the State Lands Commission of the State of California (hereinafter referred to as "the Commission") an application for a permit to dredge and fill certain lands owned of record by Huntington in the County of Orange in which the State has or claims an interest; and

WHEREAS, the Commission has found that such dredging and filling in the manner proposed by Huntington will create a channel containing approximately 64 acres of land (hereinafter referred to as "channel lands") covered by navigable waters suitable for small boat navigation and fishing by the public and that the same will be in furtherance of the purposes of commerce, navigation and fishery; and

WHEREAS, such dredging and filling as aforesaid will involve the use by Huntington of approximately 26.28 acres of lands in which the State has or claims ownership (hereinafter referred to as "state lands"); and

WHEREAS, the Commission has found that the value of said state lands is less than the value of said channel lands; and

WHEREAS, the Commission has found that it is prudent, expedient and in the best interests of the State and its public that the State receive from Huntington all of Huntington's right, title and interest in and to channel lands and convey to Huntington in consideration therefor all of the State's right, title and interest in and to said state lands and release the same from the State's easement or trust for the purposes of fishery, navigation and commerce; and

WHEREAS, in furtherance of such intent the State and Huntington have agreed to an exchange of lands pursuant to Section 6307 of the Public Resources Code after the completion of said dredging and filling;

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. The State hereby promises and agrees to transfer and convey to Huntington all of its right, title and interest in and to those certain lands described in the patent appended hereto as Exhibit A, subject to the terms and conditions thereof, except as such terms and conditions may be modified as provided in paragraph 2 hereof; and Huntington hereby promises and agrees to transfer and convey to the State all of its right, title and interest in and to those certain lands described in the Corporation Grant Deed appended hereto as Exhibit B, subject to the terms and conditions thereof. From and after the date of execution and delivery of the documents appended hereto as Exhibits A and B, the State shall not have or claim any interest in the lands described in Exhibit A hereto, whether for the purposes of fishery, navigation and commerce, or otherwise.

2. It is hereby understood that the Commission shall determine the size and location of the surface area or areas of said state lands required for all purposes reasonably extending to the mining and removal of minerals, as provided in Section 6401 of the Public Resources Code. If such area or areas are found to comprise less than all of the surface of said state lands, the reservation of said surface rights, as set forth in the patent appended hereto as Exhibit A shall be limited and reduced accordingly.

3. The agreement of the parties as set forth in paragraph 1 hereof is conditioned upon and shall be performed at such time as Huntington shall have completed the dredging and filling operations described in said application, in accordance with the permit issued by the Commission pursuant thereto and shall have provided convenient access to all navigable waters upon or to be created upon the said lands by means of a public road or roads or otherwise.

4. The exchange provided for in paragraph 1 hereof is to be without monetary consideration and each party is to pay its own recording and title insurance fees and expenses.

5. The term of this agreement shall be so long as any permit issued by the Commission pursuant to said application, or any extension or amendment thereof, shall remain in force and effect. If upon expiration of any such permit or any extension or renewal thereof the dredging and filling operations described in said application shall not have been completed, (a) this agreement shall terminate and neither party shall have any rights to receive the conveyances herein provided for, and (b) if requested by the Commission in writing within six months from the date of such expiration, Huntington shall restore said state lands to their present condition, so far as can reasonably be done, and in any event to a condition

whereunder their present utility for the public purposes of commerce, navigation and fishery will not be impaired, as expeditiously as practicable.

6. This agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

STATE OF CALIFORNIA
STATE LANDS COMMISSION

By _____
F. J. Hortig
Executive Officer

HUNTINGTON HARBOUR CORPORATION

By _____
President

Attest:

Assistant Secretary

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.

On this _____ day of _____, 196_____,
before me, the undersigned, a Notary Public in and for said County and
State, personally appeared L. W. DOUGLAS, JR., known to me to be the
President, and GEORGE POTTER, JR., known to me to be the Assistant
Secretary of HUNTINGTON HARBOUR CORPORATION, the corporation that
executed the within instrument, known to me to be the persons who
executed the within instrument on behalf of the corporation therein
named and acknowledged to me that such corporation executed the within
instrument pursuant to its By-Laws or a resolution of its Board of
Directors.

WITNESS my hand and official seal.

Notary Public in and for said
County and State

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.

On this _____ day of _____, 196_____,
before me, the undersigned, a Notary Public in and for said County and
State, personally appeared F. J. HORTIG, known to me to be the Executive
Officer of the State Lands Commission of the State of California, the
agency that executed the within instrument, known to me to be the person
who executed the within instrument on behalf of said agency therein
named, and acknowledged to me that said agency executed the within in-
strument pursuant to the laws of the State of California and a resolution
of the State Lands Commission of the State of California.

WITNESS my hand and official seal.

Notary Public in and for
said County and State

STATE OF CALIFORNIA

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

WHEREAS, the Legislature of the State of California has provided for the exchange of lands belonging to the State by virtue of her sovereignty for the purposes of the improvement of navigation, aid in reclamation, and for flood control protection, on navigable rivers, sloughs, streams, lakes, bays, estuaries, inlets, or straits by the enactment of Chapter 433, Statutes of 1949; and

WHEREAS, it appears by the Certificate of the Executive Officer of the State Lands Commission No. _____ bearing date the _____ day of _____, 196____, issued in accordance with the provisions of law, that full payment has been made to the State for the same through the medium of an exchange of other lands of equal or greater value for which a deed has been delivered to the State of California and that the

HUNTINGTON HARBOUR CORPORATION

is entitled to receive a patent therefor;

NOW, THEREFORE, the State of California hereby grants to the said

HUNTINGTON HARBOUR CORPORATION

all of the right, title and interest of the State of California in and to the following described lands:

(SEE DESCRIPTIONS IN EXHIBITS 2, 3, 4 AND 9. THE AREA TO BE CONVEYED IS THE SUM OF THE AREAS OF PARCELS I AND II, EXCEPTING AND EXCLUDING THOSE AREAS OF STATE LAND INCLUDED IN PARCELS III AND IV.)

FURTHER EXCEPTING AND RESERVING to the State of California all oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other mineral deposits contained in said lands, together with the right to drill for and extract such deposits of oil and gas, or gas, and to prospect for, mine, and remove such deposits of other minerals from said lands.

EXHIBIT A

FURTHER EXCEPTING AND RESERVING in the people the absolute right to fish thereupon as provided by Section 25 of Article I of the Constitution of the State of California.

IN TESTIMONY WHEREOF, I,

EDMUND G. BROWN

Attest:

Governor of the State of California,
have caused these letters to be made
Patent, and the Seal of the State of
California to be hereunto affixed.
Given under my hand at the City of
Sacramento, this, the ____ day of
____, in the year of our Lord
one thousand nine hundred and ____

Secretary of State

Countersigned:

Executive Officer
State Lands Commission

Governor of State

CORPORATION GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, HUNTINGTON HARBOUR CORPORATION, a corporation organized and existing under and by virtue of the laws of the State of Delaware, does hereby grant to the State of California all of the right, title and interest of Huntington Harbour Corporation in and to the following described lands:

(SEE DESCRIPTION IN EXHIBIT 4.)

Grantor covenants and agrees to provide convenient access to all navigable waters in and upon the lands herein conveyed over, across and through adjoining and adjacent lands now owned by Grantor. This covenant shall run with and be binding and a burden upon said adjoining and adjacent lands of Grantor but it shall cease and terminate and be deemed to have been fully performed at such time as Grantor shall have dedicated to the public in and on said lands of Grantor a road or roads or other means of permanent access to said navigable waters at a location or locations and of a size determined to be adequate by the State Lands Commission of the State of California.

IN WITNESS WHEREOF, Grantor has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its president and assistant secretary thereunto duly authorized.

DATED: _____, 1961.

HUNTINGTON HARBOUR CORPORATION

ATTEST:

Assistant Secretary

By _____
President

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) SS.

On this _____ day of _____, 1961, before me, the undersigned, a Notary Public in and for said County and State, personally appeared L. W. DOUGLAS, JR., known to me to be the PRESIDENT, and GEORGE POTTER, JR., known to me to be the Assistant Secretary of HUNTINGTON HARBOUR CORPORATION, the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Notary Public in and for
said County and State

EXHIBIT B
7466

STATE OF CALIFORNIA
STATE LANDS COMMISSION
STATE LANDS DIVISION
Los Angeles

CERTIFICATE NO. _____

I, F. J. HORTIG, Executive Officer of the State Lands Commission, hereby certify that full payment has been made to the State for the following described sovereign land by delivery of a deed for other lands the value of which are equal to or greater than the value of the lands herein described:

(SEE DESCRIPTIONS IN EXHIBITS 2, 3, 4 AND
9. THE AREA TO BE CONVEYED IS THE SUM OF
THE AREAS OF PARCELS I AND II, EXCEPTING
AND EXCLUDING THOSE AREAS OF STATE LAND
INCLUDED IN PARCELS III AND IV.)

HUNTINGTON HARBOUR CORPORATION

having fully complied with the laws of the State relating thereto, is entitled to receive a Patent for the same.

IN TESTIMONY WHEREOF, I hereunto set my hand and affix the seal of the State Lands Commission, this _____ day of _____, 196__.

Los Angeles County

Executive Officer,
State Lands Commission

EXHIBIT 2Parcel I
(Submerged Land)

Those portions of Fractional Section Nineteen, Section Twenty, Fractional Section Twenty-nine, and Fractional Section Thirty, all in Township Five South, Range Eleven West, S.B.B. & M., in the County of Orange, State of California, described as follows:

Beginning at the intersection of the North line of said Fractional Section Nineteen, said North line being the center line, or its westerly prolongation, of Smeltzer Avenue, as described in a deed recorded December 4, 1924 in Book 552, page 259 of Deeds, records of Orange County, with the Southwesterly prolongation of the compromise boundary line between Rancho Los Alamitos and Rancho Las Bolsa Chica; per instrument recorded in Book 115, page 284, records of Los Angeles County, California; thence Southwesterly along the said Southwesterly prolongation approximately 1438 feet to the true point of beginning of Parcel I which bears North 50° 42' 31" East 1,738.78 feet from an iron pipe at the intersection of the Southwesterly line of the 50-foot Pacific Electric Right-of-Way and the Northwesterly line of Anderson Street at the Southeast end of the Surfside Colony, Orange County; thence, from the aforementioned true point of beginning,

S 66° 13' 05" E, 64.48 ft.; N 79° 41' 43" E, 100.62 ft.; N 62° 16' 28" E, 242.89 ft.;
N 79° 27' 7" E, 147.49 ft.; S 79° 30' 31" E, 137.30 ft.; S 57° 11' 35" E, 143.96 ft.;
S 40° 36' 04" E, 101.41 ft.; S 24° 8' 44" E, 127.13 ft.; S 18° 10' 34" E, 214.72 ft.;
South, 143.00 ft.; S 23° 16' 44" E, 93.62 ft.; S 45° 58' 16" E, 83.45 ft.;
S 73° 23' 08" E, 129.40 ft.; N 82° 32' 45" E, 107.91 ft.; S 74° 32' 07" E, 48.76 ft.;
S 50° 16' 04" E, 100.13 ft.; S 37° 24' 19" E, 128.41 ft.; S 19° 23' 52" E, 225.82 ft.;
S 8° 54' 54" E, 51.62 ft.; S 7° 35' 40" E, 90.80 ft.; S 37° 34' 07" E, 65.61 ft.;
S 77° 30' 20" E, 180.27 ft.; S 48° 30' 13" E, 69.43 ft.; S 42° 58' 43" E, 60.14 ft.;
S 81° 24' 59" E, 53.60 ft.; N 50° 31' 39" E, 66.07 ft.; N 47° 29' 22" E, 32.56 ft.;
N 75° 15' 23" E, 39.29 ft.; S 55° 10' 32" W, 56.04 ft.; S 45° 00' 00" W, 7.07 ft.;
S 42° 38' 48" W, 51.66 ft.; S 62° 31' 32" W, 56.36 ft.; N 68° 48' 21" W, 52.55 ft.;
N 47° 26' 12" W, 133.06 ft.; N 81° 26' 53" W, 134.50 ft.; S 75° 57' 50" W, 49.48 ft.;
S 39° 48' 21" W, 62.48 ft.; S 23° 50' 19" W, 188.04 ft.; S 23° 52' 31" W, 66.71 ft.;
South, 82.00 ft.; S 29° 27' 23" E, 221.65 ft.; S 22° 58' 36" E, 135.77 ft.;
S 69° 42' 09" E, 77.83 ft.; S 76° 36' 27" E, 107.94 ft.; S 79° 16' 36" W, 37.66 ft.;
N 83° 14' 02" W, 59.41 ft.; S 49° 38' 08" W, 26.25 ft.; S 21° 23' 26" E, 233.05 ft.;
S 47° 41' 02" E, 90.61 ft.; S 78° 41' 24" E, 71.39 ft.; N 78° 34' 22" E, 95.90 ft.;
N 63° 26' 06" E, 248.20 ft.; N 73° 57' 36" E, 83.24 ft.; N 62° 11' 55" E, 62.18 ft.;
N 28° 4' 15" E, 61.29 ft.;
N 8° 57' 22" W, 38.48 ft.; N 18° 26' 06" E, 31.62 ft.; East,
12.00 ft.; S 13° 23' 33" W, 43.17 ft.; S 20° 13' 30" E, 40.50 ft.;
S 80° 13' 03" E, 58.86 ft.; East, 103.00 ft.; East,
10.00 ft.; S 67° 54' 46" E, 74.47 ft.; S 47° 43' 35" E, 59.47 ft.;
S 44° 16' 29" E, 55.87 ft.; S 21° 29' 08" E, 101.02 ft.; S 16° 23' 22" W,
70.88 ft.; S 32° 30' 43" W, 107.91 ft.; S 17° 51' 01" E, 61.98 ft.;
N 59° 2' 11" W, 52.48 ft.; S 37° 9' 38" W, 197.00 ft.; S 30° 39' 03" W,
156.92 ft.; S 5° 6' 08" W, 56.22 ft.; S 39° 48' 20" E, 78.10 ft.;
S 75° 44' 08" E, 243.51 ft.; S 41° 31' 12" E, 209.69 ft.; S 16° 15' 05" E,
257.28 ft.; S 38° 29' 28" E, 106.04 ft.; S 59° 50' 06" E, 135.33 ft.;
S 75° 57' 50" E, 57.72 ft.; S 74° 20' 30" E, 137.09 ft.; S 59° 38' 31" E,
243.37 ft.; S 81° 3' 02" E, 128.57 ft.; N 53° 44' 46" E, 18.60 ft.;

Parcel I (Cont'd)

N 50° 31' 39" E, 44.04 ft.; N 22° 11' 04" E, 111.23 ft.; N 42° 22' 12" E, 200.32 ft.; N 6° 56' 28" W, 115.85 ft.; N 12° 17' 18" E, 105.57 ft.; N 57° 33' 27" E, 152.86 ft.; N 28° 45' 26" E, 93.54 ft.; North, 90.00 ft.; N 17° 8' 44" W, 196.74 ft.; N 6° 31' 11" W, 105.68 ft.; N 19° 51' 19" E, 76.55 ft.; N 51° 10' 13" E, 52.63 ft.; S 36° 52' 12" W, 50.00 ft.; S 17° 52' 43" W, 65.15 ft.; S 4° 40' 01" E, 98.33 ft.; S 17° 42' 20" E, 223.59 ft.; S 3° 37' 17" W, 79.16 ft.; S 20° 43' 32" W, 79.12 ft.; S 51° 14' 31" W, 182.10 ft.; S 15° 42' 31" W, 66.48 ft.; S 5° 2' 33" E, 136.53 ft.; S 45° 0' 00" W, 186.68 ft.; S 21° 43' 47" W, 148.56 ft.; S 43° 21' 48" E, 24.76 ft.; East, 95.00 ft.; N 64° 9' 04" E, 178.90 ft.; S 76° 2' 30" E, 178.26 ft.; N 77° 09' 08" E, 116.93 ft.; N 51° 36' 00" E, 172.26 ft.; S 78° 47' 57" E, 102.96 ft.; S 41° 56' 29" E, 185.53 ft.; S 18° 29' 54" E, 286.82 ft.; S 5° 17' 49" W, 151.65 ft.; S 14° 47' 48" E, 109.64 ft.; S 32° 28' 16" E, 143.42 ft.; East, 37.00 ft.; S 37° 16' 41" E, 168.41 ft.; S 7° 55' 37" E, 159.52 ft.; S 7° 54' 25" W, 109.04 ft.; S 27° 39' 48" W, 140.00 ft.; S 61° 37' 46" W, 172.89 ft.; West, 100.00 ft.; N 61° 49' 17" W, 63.53 ft.; S 77° 13' 44" E, 76.90 ft.; N 81° 17' 34" E, 112.29 ft.; N 58° 25' 33" E, 112.68 ft.; N 31° 21' 48" E, 122.97 ft.; N 5° 15' 45" E, 152.64 ft.; N 24° 58' 08" W, 144.51 ft.; N 43° 56' 11" W, 266.63 ft.; N 14° 2' 10" W, 148.43 ft.; N 5° 0' 47" E, 114.44 ft.; N 14° 24' 44" W, 184.82 ft.; N 29° 1' 53" W, 239.03 ft.; N 79° 14' 57" W, 80.41 ft.; S 52° 30' 53" W, 167.61 ft.; S 71° 33' 54" W, 98.03 ft.; N 74° 16' 45" W, 140.25 ft.; S 86° 4' 54" W, 73.17 ft.; S 54° 27' 44" W, 94.63 ft.; S 84° 44' 03" W, 217.92 ft.; S 85° 14' 11" W, 96.33 ft.; N 71° 40' 52" W, 155.90 ft.; N 53° 26' 06" W, 188.00 ft.; N 73° 21' 18" W, 101.24 ft.; N 70° 43' 40" W, 151.49 ft.; N 57° 6' 38" W, 178.63 ft.; N 38° 34' 36" W, 107.45 ft.; N 19° 57' 37" W, 213.85 ft.; N 43° 7' 20" W, 172.63 ft.; N 71° 44' 14" W, 105.30 ft.; N 56° 44' 06" W, 149.50 ft.; N 35° 02' 31" W, 94.05 ft.; S 87° 8' 15" W, 40.05 ft.; S 10° 53' 08" W, 79.43 ft.; S 36° 15' 14" W, 111.61 ft.; S 68° 2' 22" W, 66.85 ft.; S 81° 15' 14" W, 131.53 ft.; S 29° 36' 16" W, 101.21 ft.; S 10° 34' 48" E, 92.57 ft.; S 23° 16' 04" W, 108.85 ft.; S 66° 35' 46" W, 146.01 ft.; N 57° 12' 57" E, 140.36 ft.; N 24° 06' 08" E, 83.26 ft.; N 11° 33' 36" W, 89.82 ft.; N 20° 16' 55" E, 147.12 ft.; N 80° 32' 16" E, 133.82 ft.; N 53° 19' 32" E, 58.60 ft.; N 24° 1' 35" E, 90.87 ft.; N 30° 45' 00" E, 275.77 ft.; N 40° 41' 02" E, 300.67 ft.; N 23° 43' 13" E, 144.18 ft.; N 34° 55' 51" W, 76.84 ft.; N 78° 24' 01" W, 193.96 ft.; S 52° 47' 01" W, 99.40 ft.; S 62° 44' 03" W, 146.25 ft.; S 32° 0' 10" W, 47.17 ft.; S 68° 37' 46" W, 246.98 ft.; S 82° 46' 32" W, 71.57 ft.; N 67° 1' 38" W, 99.92 ft.; N 49° 43' 41" W, 94.37 ft.; N 28° 19' 30" W, 160.18 ft.; N 33° 2' 25" W, 146.73 ft.; N 30° 31' 47" W, 362.22 ft.; N 19° 53' 44" W, 111.67 ft.; North, 118.00 ft.; N 13° 37' 37" E, 101.87 ft.; N 16° 41' 58" E, 31.32 ft.; N 17° 18' 31" E, 225.20 ft.; N 4° 9' 05" E, 124.33 ft.; N 9° 27' 44" W, 85.16 ft.; N 9° 37' 11" W, 59.84 ft.; N 22° 29' 47" W, 107.15 ft.; N 38° 34' 35" W, 107.45 ft.; N 68° 11' 55" W, 53.85 ft.; N 86° 41' 30" W, 173.29 ft.; N 78° 41' 24" W, 158.07 ft.; S 70° 58' 28" W, 30.68 ft.; S 77° 11' 45" W, 22.56 ft.; S 87° 42' 34" W, 75.06 ft.; S 66° 2' 15" W, 98.49 ft.; N 86° 54' 21" W, 37.05 ft.; N 40° 21' 53" W, 52.50 ft.; N 4° 51' 11" W, 106.38 ft.; S 25° 36' 08" E, 106.45 ft.; S 67° 33' 26" E, 49.77 ft.; N 61° 55' 39" E, 119.00 ft.; N 66° 2' 15" E, 9.85 ft.; N 26° 12' 41" W, 72.45 ft.; N 6° 48' 15" W, 354.50 ft.;

Parcel I (Cont'd)

N 46° 50' 52" W, 21.93 ft.; West, 16.00 ft.; S 34° 17' 13" W, 26.63 ft.; S 23° 5' 06" W, 66.31 ft.; S 34° 9' 35" W, 67.68 ft.; S 41° 20' 52" W, 66.60 ft.; S 13° 37' 37" W, 33.96 ft.; South, 25.00 ft.; S 25° 33' 36" W, 25.50 ft.; N 7° 31' 26" W, 53.46 ft.; N 16° 8' 40" E, 39.56 ft.; N 36° 4' 34" E, 86.61 ft.; N 25° 38' 28" E, 110.92 ft.; North, 51.00 ft.; N 14° 22' 12" W, 124.91 ft.; N 37° 14' 05" W, 62.80 ft.; N 65° 43' 32" W, 55.95 ft.; S 83° 45' 29" W, 64.38 ft.; S 67° 26' 34" W, 140.77 ft.; S 78° 53' 29" W, 223.18 ft.; S 71° 24' 16" W, 225.79 ft.; thence, S 77° 57' 46" W, 278.11 ft., more or less, to an intersection with said compromise boundary line between Rancho Los Alamitos and Rancho Las Bolsa Chica; thence Northeasterly along said compromise boundary line to the true point of beginning.

The foregoing description embraces 25.5 acres more or less.

The basis of bearings for the foregoing description from the point of beginning to the true point of beginning is that certain course in the deed to Lomita Land and Water Company recorded December 7, 1908 in Book 160, Page 282 of Deeds, Records of the County of Orange, State of California recited in said deed as North 49 $\frac{1}{2}$ ° East 42.77 chains, more or less.

The basis of bearings for the foregoing described parcel from true point of beginning to the intersection of the last course, recited in the above description as S 77° 57' 46" W, 278.11 ft.; with said compromise line is the California Coordinate System, Zone 6.

EXHIBIT 3Parcel II
(Submerged Land)

Those portions of Fractional Section Nineteen in Township Five South, Range Eleven West, S.E.B. & M., in the County of Orange, State of California, described as follows:

Beginning at the intersection of the North line of said Fractional Section Nineteen, said North line being the center line, or its Westerly prolongation, of Smeltzer Avenue, as described in a deed recorded December 4, 1924 in Book 552, page 259 of deeds, records of Orange County, with the Southwesterly prolongation of the compromise boundary line between Rancho Los Alamitos and Rancho Las Bolsa Chica; per instrument recorded in Book 115, page 284, records of Los Angeles County, California; thence Southwesterly along the said Southwesterly prolongation 1904.55 feet, more or less, to the most Westerly corner of the land described in the deed to Lomita Land and Water Company, recorded December 7, 1908 in Book 160, page 282 of Deeds; thence South 16° 30' 00" East approximately 378 feet along the Westerly line of said land of Lomita Land and Water Company to the true point of beginning of Parcel II which bears N 68° 34' 31" E, 1180.26 ft. from an iron pipe at the intersection of the Southwesterly line of the 50-foot Pacific Electric Right-of-Way and the Northwestern line of Anderson Street at the Southeast end of the Surfside Colony, Orange County; thence from the aforementioned true point of beginning,

S 72° 38' 46" E, 50.29 ft.; S 43° 18' 45" E, 144.31 ft.; S 35° 49' 19" E, 164.03 ft.; S 27° 19' 26" E, 135.07 ft.; S 56° 18' 36" E, 72.11 ft.; S 79° 21' 15" E, 135.33 ft.; S 58° 40' 17" E, 80.78 ft.; S 30° 57' 50" E, 81.63 ft.; South 90.00 ft.; S 8° 31' 51" W, 60.67 ft.; S 18° 46' 41" E, 52.81 ft.; S 54° 21' 37" E, 65.22 ft.; East 47.00 ft.; N 49° 53' 57" E, 49.68 ft.; N 19° 14' 58" E, 66.73 ft.; N 2° 56' 08" E, 117.15 ft.; N 14° 02' 01" E, 16.49 ft.; South 163.00 ft.; S 23° 03' 05" W, 51.08 ft.; S 52° 45' 55" W, 62.80 ft.; West 47.00 ft.; N 60° 29' 18" W, 60.90 ft.; N 32° 09' 08" W, 41.34 ft.; N 8° 35' 01" W, 53.60 ft.; N 2° 48' 57" E, 122.15 ft.; N 20° 33' 22" W, 51.26 ft.; N 49° 05' 08" W, 79.40 ft.; N 81° 52' 12" W, 70.71 ft.; N 72° 53' 51" W, 68.01 ft.; N 65° 33' 22" W, 60.42 ft.; N 49° 05' 08" W, 59.55 ft.; N 26° 33' 54" W, 96.15 ft.; N 41° 3' 00" W, 244.40 ft.; thence West 42.00 ft., more or less, to an intersection with said Westerly line of said land of Lomita Land and Water Company, thence Northwesterly along said Westerly line to the true point of beginning.

The foregoing description embraces 0.78 acres more or less.

The basis of bearings for the foregoing description from the point of beginning to the true point of beginning is that certain course in the deed to Lomita Land and Water Company recorded December 7, 1908 in Book 160, Page 282 of Deeds, Records of the County of Orange, State of California recited in said deed as North 49-1/2° East 42.77 Chains, more or less.

The basis of bearings for the foregoing described parcel from true point of beginning to the intersection of the last course, recited in the above description as N 90° 00' 00" W 42.00 ft., with said westerly line of said land of Lomita Land and Water Company is the California Coordinate System, Zone 6.

EXHIBIT 4.

Parcel III

Those portions of Fractional Section Nineteen, Section Twenty, Fractional Section Twenty-nine, and Fractional Section Thirty, all in Township Five South, Range Eleven West, S.B.B. & M., in the County of Orange, State of California, comprising two strips of land, described as follows:

Strip A, 400 feet in width, the center line being described as follows:

Being at the intersection of the North line of said Fractional Section Nineteen, said North line being the center line, or its Westerly prolongation, of Smeltzer Avenue, as described in deed recorded December 4, 1924 in Book 552, page 259 of deeds, records of Orange County, with the Southwesterly prolongation of the compromise boundary line between Rancho Los Alamitos and Rancho Las Bolsas Chica; per instrument recorded in Book 115, page 284, records of Los Angeles County, California; thence Southwesterly along the said Southwesterly prolongation 1841.30 feet, more or less, to the most westerly corner of the land described in the deed to Lomita Land and Water Company, recorded December 7, 1908 in Book 160, page 282 of Deeds; said westerly corner, which bears North $51^{\circ} 19' 56''$ East, 1302.71 feet (N $52^{\circ} 30' 32''$ E 1302.68 feet California State Coordinate System Zone VI Grid) from an iron pipe at the intersection of the Southwesterly line of the 50 foot Pacific Electric Right-of-Way and the Northwestern line of Anderson Street at the Southeast end of the Surfside Colony, Orange County, being the true point of beginning; thence South $61^{\circ} 00' 00''$ East 3850 feet; thence South $19^{\circ} 00' 00''$ East 3235 feet to an intersection with a line parallel with the Northerly line of Los Fatos Avenue, 60 feet wide, as described in the deed to the County of Orange, recorded June 17, 1901 in Book 71, page 16 of Deeds; the side lines of said Strip A being lengthened or shortened so as to terminate at the Northwestern boundary of the said land conveyed to Lomita Land and Water Company, and to terminate at the south end of said parallel line, said parallel line passing through the southerly terminus of above described center line.

Strip B, 200 feet in width, the center line being described as follows:

Beginning at a point on the center line of said Strip A 3681.13 feet Southeasterly from its true point of beginning; thence South $33^{\circ} 44' 29''$ West 1858.65 feet to an intersection with the Southwesterly boundary of the land conveyed to Lomita Land and Water Company, recorded December 7, 1908 in Book 160, page 282 of Deeds; the side lines of said Strip B being lengthened or shortened so as to terminate in the Southwesterly boundary of said Strip A, and to terminate in the Southwesterly boundary of the said land conveyed to Lomita Land and Water Company.

The foregoing description embraces 71.9 acres more or less.

The basis of bearings for the foregoing description is that certain course in the deed to Lomita Land and Water Company recorded December 7, 1908 in Book 160, Page 282 of Deeds, Records of the County of Orange, State of California, recited in said deed as North $49^{\circ} \frac{1}{2}'$ East 42.77 chains, more or less.

EXHIBIT 9

Parcel IV
(Submerged Land)

Those portions of Fractional Section Nineteen, Section Twenty, Fractional Section Twenty-nine, and Fractional Section Thirty, all in Township Five South, Range Eleven West, S.B.B. & M., in the County of Orange, State of California, described as follows:

Beginning at the intersection of the North line of said Fractional Section Nineteen, said North line being the center line, or its westerly prolongation, of Smeltzer Avenue, as described in a deed recorded December 4, 1924 in Book 552, page 259 of Deeds, records of Orange County, with the Southwesterly prolongation of the compromise boundary line between Rancho Los Alamitos and Rancho La Bolsa Chica; per instrument recorded in Book 15, page 284, records of Los Angeles County, California; thence Southwesterly along the said Southwesterly prolongation approximately 1438 feet to the true point of beginning of Parcel 1 which bears North $50^{\circ} 42' 31''$ East 1,738.78 feet from an iron pipe at the intersection of the Southwesterly line of the 50-foot Pacific Electric Right-of-Way and the Northwesterly line of Anderson Street at the Southeast end of the Surfside Colony, Orange County; thence, from the aforementioned true point of beginning S. $66^{\circ} 13' 05''$ E. 64.48 feet; thence N. $79^{\circ} 41' 43''$ E. 100.62 feet; thence N. $62^{\circ} 16' 28''$ E. 242.89 feet; thence N. $79^{\circ} 27' 7''$ E. 147.49 feet; thence S. $79^{\circ} 30' 31''$ E. 137.30 feet; thence S. $39^{\circ} 48' 20''$ W. 203.07 feet; thence S. $67^{\circ} 26' 34''$ W. 140.77 feet; thence S. $78^{\circ} 53' 29''$ W. 223.18 feet; thence S. $71^{\circ} 24' 16''$ W. 225.79 feet; thence S. $77^{\circ} 57' 46''$ W. 40 feet; thence N. $59^{\circ} 49' 24''$ W. 130 feet more or less, to an intersection with said compromise boundary line between Rancho Los Alamitos and Rancho La Bolsa Chica; thence northeasterly along said compromise boundary line to the true point of beginning, containing approximately 2.95 acres.

The basis of bearings for the foregoing description from the point of beginning to the true point of beginning is that certain course in the deed to Lomita Land and Water Company recorded December 7, 1908 in Book 160, Page 282 of Deeds, Records of the County of Orange, State of California, recited in said deed as North $49-1/2^{\circ}$ East 42.77 chains, more or less.

The basis of bearings for the foregoing described parcel from true point of beginning to the intersection of the last course, recited in the above description as S. $77^{\circ} 57' 46''$ W. 278.11 ft.; with said compromise line is the California Coordinate System, Zone 6.

EXHIBIT 10

DESCRIPTION OF SURFACE EASEMENT TO
CALIFORNIA STATE LANDS COMMISSION FOR
PURPOSES OF OIL, GAS AND MINERAL DEVELOPMENT

That portion of Section 19, T. 5 S., R. 11 W., S.B.M. in the County of Orange, State of California, as per map recorded in Book 51 P. 13, Miscellaneous Maps, records of said County, described as follows:

Beginning at an Iron Pipe at the intersection of the southwesterly line of the 50 foot Pacific Electric Railway Right of Way with the northwesterly line of Anderson Street at the southeast end of the Surfside Colony, in Orange County, California, thence S. $46^{\circ} 38' 20''$ E. 4386.93 feet to a point in the northeasterly line of the right of way of Pacific Coast Highway (U. S. Alternate 101) 100 feet in width, said point being approximately at State Highway Station 183 plus 61.35, and said point being the true point of beginning, thence N. $81^{\circ} 10' 36''$ E. 125 feet; thence S. $45^{\circ} 59' 39''$ E. 185 feet; thence S. $81^{\circ} 10' 36''$ W. 125 feet, more or less, to said northeasterly Pacific Coast Highway right of way line; thence northwesterly along said right of way line 185 feet, more or less, to the true point of beginning.

The basis of bearings for the foregoing description is the California State Grid, Zone 6.

EXHIBIT 12

ASSIGNMENT OF DRILLSITE AND
RIGHTS WITH RESPECT THERETO

THIS ASSIGNMENT, made and entered into as of this _____ day
of _____, 1961 by and between

HUNTINGTON HARBOUR CORPORATION,
a Delaware corporation
(hereinafter referred to as "Assignor")

and

THE STATE OF CALIFORNIA
(hereinafter referred to as "Assignee")

W I T N E S S E T H:

WHEREAS, Assignor is the owner of those certain lands described in Exhibit A hereto (hereinafter referred to as "drillsite lands") and in all respects has the power and authority to enter into this agreement and grant the rights herein conveyed; and

WHEREAS, Assignee is the record owner of the mineral rights in and under those certain lands described in Exhibit B hereto attached and by this reference incorporated herein (hereinafter referred to as "development lands"); and

WHEREAS, Assignor desires to assign to Assignee a surface site and rights with respect thereto for the purpose of drilling, exploring and prospecting for, developing, mining, extracting and removing oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other minerals or mineral deposits in or underlying development lands;

NOW, THEREFORE, for valuable consideration, the receipt of which Assignor hereby acknowledges, it is agreed as follows:

1. Assignor does hereby, subject to the terms and conditions hereof, grant, assign, and convey unto Assignee, the right to use drillsite lands for the purpose of drilling or tunneling into, under and through development lands for the purpose of prospecting or exploring for and developing, mining, extracting, or removing oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other minerals, including the right to locate an oil or gas well or wells on the surface of drillsite lands and to repair, redrill, deepen or abandon, maintain and operate any of said wells for the production of oil, gas or other hydrocarbon substances and minerals from the development lands. Assignee shall have the further right to use drillsite lands for any purpose connected in any way with the exploration, drilling for and production of oil, gas and other hydrocarbon substances and all other minerals from development lands including, without limiting the

generality of the foregoing, the right to construct, erect, maintain, use, operate, and remove all pipe lines, power lines, telephone lines, machinery and other facilities which Assignee may desire in connection with such operations and the right to conduct operations by methods now known or unknown for the purpose of benefiting or facilitating the drilling for or production of oil, gas or other hydrocarbons and all other minerals by or through a well or wells on development lands, together with the right to drill wells for the purpose of injecting oil, gas, water or other substances into development lands to facilitate further production therefrom. Assignor shall at all times make available to Assignee reasonable and practicable rights of way for ingress and egress from drillsite lands.

2. To the extent that Assignor has the right to do so, Assignor does further hereby grant, assign and convey unto Assignee the right to use that portion of the development lands and all other lands now owned by Assignor adjoining, adjacent, or near development lands below a depth of five hundred feet from the present natural level of surface thereof for all purposes necessary or convenient to the drilling and prospecting for, producing, extracting, taking and removing of oil, gas or other hydrocarbon substances and all other minerals from development lands, including, without limiting the generality of the foregoing, the right to drill through, under and across development lands and said other lands now owned by Assignor below said depth for all purposes set forth in paragraph 1 hereof and for casing and otherwise completing and maintaining oil or gas wells bottomed in development lands.

3. The term of this agreement shall be for so long as Assignee has any right, title or interest in oil, gas or other hydrocarbons or any other minerals in or underlying development lands or any portion thereof.

4. It is expressly understood and agreed that Assignor by this agreement does not grant, assign, lease, let or demise unto Assignee any right, title or interest in or with respect to oil, gas or other hydrocarbon substances and minerals in or with respect to any lands now owned by Assignor.

5. Assignee shall pay all taxes that may be levied against the improvements, plant, machinery and personal property owned by it or its assigns and located upon any part of drillsite lands or other lands owned by Assignor.

6. Assignee shall have the right at any time and from time to time during the continuance hereof and for a reasonable time after the surrender or termination hereof to remove from drillsite lands all machinery, rigs, casing, piping, pumping stations and other property or improvements belonging to or furnished by Assignee in connection with operations authorized hereunder.

7. All the labor to be performed and material to be furnished in any operation by Assignee on drillsite lands shall be at the cost and expense of Assignee and Assignor shall not be chargeable with or liable for any part thereof, and Assignee shall keep drillsite lands and any lands of Assignor used by Assignee hereunder fully protected against all liens of every character arising from or connected with their operations.

8. Assignee may authorize at any time or times third persons to use any or all of the rights herein assigned to it.

9. It is expressly agreed that Assignor and Assignee do not hereby become joint tenants or tenants in common, in or with respect to any interest in any lease or agreement or their respective interests in development lands, drillsite lands or in the oil, gas or other hydrocarbons or minerals which may be produced therefrom. No royalty or rental shall be due or owing at any time from Assignee to Assignor for the rights herein granted.

IN WITNESS WHEREOF, Assignor has executed this assignment and agreement as of the day and year first above written.

HUNTINGTON HARBOUR CORPORATION

ATTEST:

Assistant Secretary

By _____
President

CALENDAR ITEM

17.

APPLICATION FOR AGREEMENT STIPULATING ORDINARY LOW-WATER MARK, AGREEMENT FOR THE EXCHANGE OF LANDS, AND FOR PERMIT TO FILL SUBMERGED LANDS; HUNTINGTON HARBOUR CORPORATION; HUNTINGTON BEACH, ORANGE COUNTY - W.O. 4116.

An application has been received from Huntington Harbour Corporation, incorporated in the State of Delaware and qualified to do business in the State of California, for (1) a property boundary agreement; (2) a permit to fill State land; and (3) an agreement to exchange approximately 0.97 acre of State lands located in the bed of an existing waterway (to be filled) for approximately 3.56 acres of land owned by the applicant and located in the beds of proposed new waterways. The properties are located in the Sunset Bay region of Orange County southeasterly of the Los Alamitos Naval Reservation, and are adjacent to the lands involved in Calendar Item No. 16.

In accordance with this application and under the provisions of Sections 6357 and 6301 of the Public Resources Code, a property boundary agreement has been prepared for Commission consideration. This agreement is necessary to define the boundaries of the 1.1 acres of State-owned land in the bed of a navigable waterway which have become obscured as a result of filling and other artificial processes (see Exhibit 1 attached).

Authority for the requested exchange (Exhibit 2) is contained in Section 6307 of the Public Resources Code. In the opinion of the staff, the proposed exchange of 0.97 acre of filled State land for 3.56 acres of privately owned land, is in the best interest of the State for the improvement of navigation and aid in reclamation.

In this transaction the State would convey fee title to the 0.97 acre after they are filled, but would retain ownership of the underlying minerals. Access to the minerals and oil underlying the State lands would be from the drillsite described in the previous calendar item (Item No. 16) and described in Exhibits 7 and 8 attached.

The conveyance of the surface drillsite by Huntington Harbour Corporation would be reviewed by the office of the Attorney General prior to completion of the exchange to assure the State of a marketable title. The mineral rights underlying the Huntington Harbour Corporation property are not a part of the transaction.

The conveyance by Huntington Harbour Corporation would also reserve to the grantor two right-of-way easements for access across the proposed new channel at no rent or fee, subject to Commission approval of the locations and of the structures to be located thereon.

A staff appraisal of the 0.97 acre of State lands reflects a market value of \$4000, and a market value of \$14,000 for the 3.56 acres offered by Huntington Harbour Corporation.

CALENDAR ITEM 17. (CONTD.)

A permit to fill the 0.97 acre of State land has been requested for an initial term of five years, with provision to be made for extension of an additional year. A surety bond in the amount of \$15,000 is to be required to guarantee the restoration of the State-owned land if the exchange is not completed within the stipulated time limit. The permittee would also obtain public liability insurance to protect the permittee and the State, as an additional insured, in an amount of at least \$100,000 for each accident and \$50,000 for each person.

Drafts of the proposed Property Boundary Agreement, Agreement to Exchange, State Patent, Certification by the Executive Officer, and the Corporation Grant Deed have been attached to this report to establish a record as to the conditions of the proposed exchange. These documents have been reviewed and approved as to form by the office of the Attorney General.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND AND DETERMINE THE PROPOSED EXCHANGE OF 0.97 ACRE OF STATE LANDS LYING IN THE BED OF A SLOUGH IN SUNSET BAY AREA, ORANGE COUNTY, FOR 3.56 ACRES OF LANDS OWNED BY HUNTINGTON HARBOUR CORPORATION TO BE IN THE BEST INTERESTS OF THE STATE FOR THE IMPROVEMENT OF NAVIGATION, FOR AID IN RECLAMATION, AND FOR FLOOD CONTROL PROTECTION.
2. AUTHORIZE THE EXECUTIVE OFFICER
 - A. TO EXECUTE AN AGREEMENT AS TO THE LOCATION OF THE ORDINARY LOW-WATER MARK, IN THE FORM OF EXHIBIT 1 ATTACHED.
 - B. TO EXECUTE AN AGREEMENT, IN THE FORM OF EXHIBIT 2 HEREOF, FOR THE EXCHANGE OF LANDS WITH HUNTINGTON HARBOUR CORPORATION, SUBJECT TO DETERMINATION BY THE OFFICE OF THE ATTORNEY GENERAL THAT HUNTINGTON HARBOUR CORPORATION IS ABLE TO FURNISH THE STATE MARKETABLE TITLE.
 - C. TO ISSUE A PERMIT TO FILL, IN THE FORM OF EXHIBIT 3 ATTACHED.

Attachments

Exhibits 1 through 6
Exhibit 8

EXHIBIT 1

STATE OF CALIFORNIA
STATE LANDS COMMISSION
STATE BUILDING
LOS ANGELES

AGREEMENT STIPULATING ORDINARY
LOW-WATER MARK AND
INTERESTS IN REAL PROPERTY

No. _____ PUBLIC RESOURCES CODE SERIES

THIS AGREEMENT, made and entered into this _____ day of
_____, 1961 by and between

THE STATE OF CALIFORNIA
(hereinafter referred to as "the State")

and

HUNTINGTON HARBOUR CORPORATION,
a Delaware corporation
(hereinafter referred to as "Huntington")

W I T N E S S E T H:

WHEREAS, the State, acting through the State Lands Commission, is authorized by Section 6357 of the Public Resources Code to establish by agreement the ordinary low-water mark "any of the swamp, overflowed, marsh, tide or submerged lands of the State, whenever it is deemed expedient or necessary; and

WHEREAS, the State, acting through the State Lands Commission, pursuant to Section 6301 of the Public Resources Code, is authorized by virtue of its sovereignty and its inherent powers over tide and submerged lands to stipulate and agree with private persons and corporations as to the boundary line between such lands and privately-owned lands; and

WHEREAS, Huntington is the record owner of that certain real property (hereinafter referred to as "said property") described in that certain Corporation Grant Deed from Sunset Land and Water Company to Huntington dated September 6, 1961 and recorded September 27, 1961 as Document No. 1817+ in the Official Records, Orange County, California; and

WHEREAS, said property comprises a portion of those lands

covered by that certain patent from the State of California to R. J. Northam dated January 6, 1903 and recorded April 4, 1903 in Book 1, Page 205 of Patents, Official Records, Orange County, California, (hereinafter referred to as "said patent"); and

WHEREAS, the State claims an interest in a portion of said property by virtue of the fact that the same were below the ordinary low-water mark of waters lying on and within the boundaries of said property at the time of issuance of said patent; and

WHEREAS, the ordinary low-water mark as it existed in its last natural state and at the time of issuance of said patent has been obliterated as a result of filling and other artificial processes and/or a combination of natural and artificial processes; and

WHEREAS, the parties hereto consider it expedient and necessary and in the best interests of the State and the public thereof to permanently fix and describe the ordinary low-water mark of waters lying on and within the boundaries of said property and to permanently fix and describe the boundary line between the portions of said property owned by Huntington and that portion of said property claimed by the State and forever set at rest any and all questions relating to the location of said boundary line or the State's interest in said property;

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. The true and correct ordinary low-water mark of waters of the State lying on and within the boundaries of said property and the true and correct boundary line between the portions of said property owned by Huntington and that portion claimed by the State is, and was in its last natural state and at the time of said patent as follows:

(SEE DESCRIPTION IN EXHIBIT 4.)

2. This agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

HUNTINGTON HARBOUR CORPORATION

ATTEST:

Asst. Secretary

By _____
President

IN APPROVAL WHEREOF, I,

EDMUND G. BROWN

STATE OF CALIFORNIA, through
STATE LANDS COMMISSION

By _____
F. J. Hortig
Executive Officer

Governor of the State of
California have set my hand
and caused the Seal of the
State of California to be
hereunto affixed pursuant to
Section 6107 of the Public
Resources Code of the State
of California. Given under
my hand at the City of
Sacramento, this, the _____
day of _____ in
the year of our Lord one
thousand nine hundred and
_____.

Governor of State

ATTEST:

Secretary of State

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On this _____ day of _____, 196__, before me, the undersigned, a Notary Public in and for said County and State, personally appeared I. W. DOUGLAS, JR., known to me to be the President, and GEORGE POTTER, JR., known to me to be the Assistant Secretary of HUNTINGTON HARBOUR CORPORATION, the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Notary Public in and for
said County and State

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On this _____ day of _____, 196__, before me, the undersigned, a Notary Public in and for said County and State, personally appeared F. J. HORTIG, known to me to be the Executive Officer of the State Lands Commission of the State of California, the agency that executed the within instrument, known to me to be the person who executed the within instrument on behalf of said agency therein named, and acknowledged to me that said agency executed the within instrument pursuant to the laws of the State of California and a resolution of the State Lands Commission of the State of California.

WITNESS my hand and official seal.

Notary Public in and for
said County and State

EXHIBIT 2

STATE OF CALIFORNIA
STATE LANDS COMMISSION
STATE BUILDING
LOS ANGELES

AGREEMENT FOR THE EXCHANGE OF LANDS
IN THE SUNSET BEACH AREA,
ORANGE COUNTY, CALIFORNIA

NO. _____ PUBLIC RESOURCES CODE SERIES

THIS AGREEMENT, made and entered into this _____ day of _____, 1961 by and between

THE STATE OF CALIFORNIA
(hereinafter referred to as "the State")

and

HUNTINGTON HARBOUR CORPORATION,
a Delaware corporation
(hereinafter referred to as "Huntington")

W I T N E S S E T H:

WHEREAS, the State Lands Commission of the State of California (hereinafter referred to as "the Commission") has as of this date issued to Huntington a permit (hereinafter referred to as the "Commission permit") to fill certain lands owned of record by Huntington in the County of Orange in which the State has or claims an interest; and

WHEREAS, the U. S. Army Corps of Engineers acting under authority of the Secretary of the Army has heretofore issued to Huntington a permit (hereinafter referred to as the "Corps permit") for the dredging of a channel the center 75 feet of which will contain approximately 3.01 acres of land (hereinafter referred to as "channel lands") covered by navigable waters suitable for small boat navigation and fishing by the public; and

WHEREAS, the filling authorized by the Commission permit will involve the use by Huntington of approximately 1.1 acres of lands in which the State has or claims ownership (hereinafter referred to as "state lands"); and

WHEREAS, the Commission has found that the value of the lands herein agreed to be conveyed by the State is less than the value of the channel lands herein agreed to be conveyed by Huntington; and

WHEREAS, the Commission has found that it is prudent, expedient, in the best interests of the State and its public, and in furtherance of fishery, navigation and commerce that the State receive from Huntington all of Huntington's right, title and interest in and to the channel lands and

convey to Huntington in consideration therefor all of the State's right, title and interest in and to the state lands and release the same from the State's easement and trust for the purposes of fishery, navigation and commerce; and

WHEREAS, in furtherance of such intent the State and Huntington have agreed to an exchange of lands pursuant to Section 6307 of the Public Resources Code after the completion of said dredging and filling;

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. The State hereby promises and agrees to transfer and convey to Huntington all of its right, title and interest in and to those certain lands described in the patent appended hereto as Exhibit A, subject to the terms and conditions thereof; and Huntington hereby promises and agrees to transfer and convey to the State those certain lands described in the Corporation Grant Deed appended hereto as Exhibit B, subject to the terms and conditions thereof. From and after the date of execution and delivery of the documents appended hereto as Exhibits A and B, the State shall not have or claim any interest in the lands described in Exhibit A hereto, whether for the purposes of fishery, navigation and commerce, or otherwise, except as specifically set forth in said Exhibit A.

2. The Commission shall relinquish any right to use the surface area of the lands to be conveyed pursuant to Exhibit A hereto provided that Huntington is able and willing at the time of the execution and issuance of said Exhibit A to grant to the State an easement for drillsite purposes covering the lands described in Exhibits 7 and 8.

3. The agreement of the parties as set forth in paragraph 1 hereof is conditioned upon and shall be performed at such time as Huntington shall have completed the operations described in the Commission permit and the Corps permit in accordance with the terms thereof and shall have provided convenient access to all navigable waters upon or to be created upon the channel lands by means of a public road or roads or otherwise. Said agreement is further conditioned upon the following:

(a) The showing of Huntington to the satisfaction of the Attorney General of the State at the time of the exchange that Huntington has at that time title to the channel lands free of all encumbrances except those items designated 2 through 4, 8, and 10 in that certain Preliminary Report of Orange County Title Company No. 792380, dated as of July 31, 1961, those items designated in that certain Policy of Title Insurance of Title Insurance and Trust Company of Los Angeles No. 256246, dated as of October 11, 1960 (except items 1, 13, 16, 17, 18 and 21), and any item pertaining to taxes for the current fiscal year which are not then payable (Huntington agrees to pay after the exchange any such taxes when and if the same become due and payable); and

(b) Huntington's payment of all general and special county taxes upon the lands to be conveyed which have become due or payable at or prior to the time of the exchange.

4. The exchange provided for in paragraph 1 hereof is to be without monetary consideration and each party is to pay its own recording and title insurance fees and expenses.

5. The term of this agreement shall be so long as the Commission permit, or any extension or amendment thereof, shall remain in force and effect. If upon expiration of the Commission permit or any extension or renewal thereof the operations described therein shall not have been completed, (a) this agreement shall terminate and neither party shall have any rights to receive the conveyances herein provided for, and (b) if requested by the Commission in writing within six months from the date of such expiration, Huntington shall restore the state lands to their present condition, so far as can reasonably be done, and in any event to a condition whereunder their present utility for the public purposes of commerce, navigation and fishery will not be impaired, as expeditiously as practicable.

6. This agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

HUNTINGTON HARBOUR CORPORATION

ATTEST:

Assistant Secretary

By _____
President

STATE OF CALIFORNIA
STATE LANDS COMMISSION

By _____
F. J. Hortig,
Executive Officer

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On this _____ day of _____, 196____,
before me, the undersigned, a Notary Public in and for said County and
State, personally appeared L. W. DOUGLAS, JR., known to me to be the
President, and GEORGE POTTER, JR., known to me to be the Assistant
Secretary of HUNTINGTON HARBOUR CORPORATION, the corporation that executed
the within instrument, known to me to be the persons who executed the
within instrument on behalf of the corporation therein named and acknow-
ledged to me that such corporation executed the within instrument
pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Notary Public in and for
said County and State

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On this _____ day of _____, 196____,
before me, the undersigned, a Notary Public in and for said County and
State, personally appeared F. J. RORTIG, known to me to be the Executive
Officer of the State Lands Commission of the State of California, the
agency that executed the within instrument, known to me to be the person
who executed the within instrument on behalf of said agency therein named,
and acknowledged to me that said agency executed the within instrument
pursuant to the laws of the State of California and a resolution of the
State Lands Commission of the State of California.

WITNESS my hand and official seal.

Notary Public in and for
said County and State

STATE OF CALIFORNIA

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

WHEREAS, the Legislature of the State of California has provided for the exchange of lands belonging to the State by virtue of her sovereignty for the purposes of the improvement of navigation, and in reclamation, and for flood control protection, on navigable rivers, sloughs, streams, lakes, bays, estuaries, inlets, or straits by the enactment of Chapter 433, Statutes of 1949; and

WHEREAS, it appears by the Certificate of the Executive Officer of the State Lands Commission No. _____ bearing date the _____ day of _____, 196____, issued in accordance with the provisions of law, that full payment has been made to the State for the same through the medium of an exchange of other lands of equal or greater value for which a deed has been delivered to the State of California and that the

HUNTINGTON HARBOUR CORPORATION

is entitled to receive a patent therefor;

NOW, THEREFORE, the State of California hereby grants to the said

HUNTINGTON HARBOUR CORPORATION

all of the right, title and interest of the State of California in and to the lands described as follows:

(SEE DESCRIPTIONS IN EXHIBITS 4 AND 6. THE AREA TO BE CONVEYED IS PARCEL II EXCEPTING AND EXCLUDING THE STATE LAND IN PARCEL III.)

EXCEPTING AND RESERVING to the State of California all oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other mineral deposits contained in said lands, together with the right to drill for and extract such deposits of oil and gas, or gas, and to prospect for, mine, and remove such deposits of other minerals from said lands.

EXHIBIT A TO EXHIBIT 2

FURTHER EXCEPTING AND RESERVING in the people the absolute right to fish thereupon as provided by Section 25 of Article I of the Constitution of the State of California.

IN TESTIMONY WHEREOF, I,

EDMUND G. BROWN

Attest:

Secretary of State

Countersigned:

Executive Officer
State Lands Commission

Governor of the State of California have caused these letters to be made Patent, and the Seal of the State of California to be hereunto affixed. Given under my hand at the City of Sacramento, this, the ____ day of _____, in the year of our Lord one thousand nine hundred and _____.

Governor of State

CORPORATION GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, HUNTINGTON HARBOUR CORPORATION, a corporation organized and existing under and by virtue of the laws of the State of Delaware, does hereby grant to the State of California the following-described lands:

(SEE DESCRIPTIONS IN EXHIBITS 4, 5, AND 6. AREA TO BE CONVEYED IS THE SUM OF THE AREAS OF PARCELS II AND II, EXCEPTING AND EXCLUDING THAT AREA OF STATE LAND INCLUDED IN PARCEL I.)

EXCEPTING AND RESERVING unto Grantor two rights of way and easements for the purpose of roads, highways, bridges, walkways, and other means of access through, over and across the above-described lands at such location and of such construction as shall be first approved by the State Lands Commission of the State of California; no rent, fee or other payment shall at any time be required from Grantor or its successors and assigns for the use, enjoyment or possession of said rights of way and easements or any structures erected thereupon; provided, however, that Grantor's right to said rights of way and easements shall terminate ten (10) years from the date hereof unless prior to such time Grantor shall have designated and said State Lands Commission shall have approved the locations thereof and the structures to be located thereupon.

This grant is made subject to the following:

1. Taxes for the current fiscal year not yet payable.
2. Certain matters of record set forth in a title report No. 804940, dated October 5, 1961, by the Orange County Title Company that will not adversely affect marketable title to the property as determined by the office of the Attorney General in collaboration with the staff of the State Lands Division.

IN WITNESS WHEREOF, Grantor has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its President and Assistant Secretary thereunto duly authorized.

Dated: _____, 1961.

HUNTINGTON HARBOUR CORPORATION

ATTEST:

Asst. Secretary

By _____
President

EXHIBIT B TO EXHIBIT 2

7490

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On this _____ day of _____, 1961, before
me, the undersigned, a Notary Public in and for said County and State,
personally appeared

L. W. DOUGLAS, JR., known to me to be the President, and

GEORGE POTTER, JR., known to me to be the Assistant Secretary of

HUNTINGTON HARBOUR CORPORATION, the corporation that executed the within
instrument, known to me to be the persons who executed the within instrument
on behalf of said corporation, and acknowledged to me that such corporation
executed the within instrument pursuant to its By-Laws or a resolution
of its Board of Directors.

WITNESS my hand and official seal.

Notary Public in and for
said County and State

EXHIBIT 3STATE OF CALIFORNIA
STATE LANDS COMMISSION
STATE BUILDING
LOS ANGELES

No. _____ PUBLIC RESOURCES CODE SERIES

As authorized by the State Lands Commission at its meeting on November 22, 1961, permission is hereby granted to Huntington Harbour Corporation to fill the lands described in Exhibit 4 lying southerly of the main channel, subject to the following conditions:

1. This permit shall expire five (5) years from the date hereof; provided, however, if at the expiration of said five-year period, the Permittee is diligently prosecuting the construction of said improvements, this permit shall be extended for a further period of one year.
2. The Permittee agrees to indemnify the State against any and all losses, damages, claims, demands or actions caused by or arising out of the operations of the Permittee hereunder.
3. If upon the expiration of this permit or any extension thereof, as set forth in paragraph one herein, the filling operations shall not have been completed, and if requested by the State in writing within six months from the date of said expiration, the Permittee shall restore said State Lands as expeditiously as possible to their present condition so far as can reasonably be done, and, in any event, to a condition whereunder their present utility for the public purposes of commerce, navigation and fishing will not be impaired.
4. The Permittee shall file with the State and maintain in full force and effect at all times during the term of this permit or any extension thereof, and the additional period of six (6) months, a good and sufficient surety bond drawn in favor of the State of California in the penal sum of \$15,000.00 to guarantee to the State the faithful performance and observance by the Permittee of all of the covenants and conditions implied or specified in this permit. The Permittee shall further at all such times carry and keep in full force and effect public liability insurance to protect the Permittee and the State, as an additional insured, in an amount of at least \$100,000 for each accident and \$50,000 for each person; the Permittee shall file the policy for such insurance with the State Lands Commission.
5. The Permittee shall not be required to pay any rent for the rights granted herein, but shall be required to pay additional sums requested by the State Lands Commission for expenses reasonably incurred in connection with further work performed by the Commission or its technical staff.

All terms, conditions and provisions of the foregoing permit are accepted by the Permittee.

HUNTINGTON HARBOUR CORPORATION

By _____

STATE OF CALIFORNIA
STATE LANDS COMMISSION

By _____

Date _____

EXHIBIT 4PARCEL I
(Submerged Land)

Those portions of Fractional Section Nineteen, Section Twenty, Fractional Section Twenty-nine, and Fractional Section Thirty, all in Township Five South, Range Eleven West, S.B.B. & M., in the County of Orange, State of California, described as follows:

Beginning at the intersection of the North line of said Fractional Section Nineteen, said North line being the center line, or its westerly prolongation, of Smeltzer Avenue, as described in a deed recorded December 4, 1924, in Book 552, page 259 of Deeds, records of Orange County, with the Southwesterly prolongation of the compromise boundary line between Rancho Los Alamitos and Rancho La Bolsa Chica; per instrument recorded in Book 115, page 284, records of Los Angeles County, California; thence Southwesterly along the said Southwesterly prolongation approximately 1938 feet to the true point of beginning of Parcel I which bears North 51° 05' 58" East 1,181.26 feet from an iron pipe at the intersection of the Southwesterly line of the 50-foot Pacific Electric Right-of-Way and the Northwesterly line of Anderson Street at the Southeast end of the Surfside Colony, Orange County; thence, from the aforementioned true point of beginning, S 26° 33' 54" E, 46.96 ft.; S 46° 13' 08" E, 66.48 ft.; S 3° 34' 35" E, 48.09 ft.; S 4° 53' 57" W, 70.26 ft.; S 19° 34' 23" E, 47.76 ft.; S 53° 07' 49" E, 35.00 ft.; S 60° 31' 37" E, 79.26 ft.; S 17° 26' 50" E, 110.06 ft.; West 12.00 ft.; S 45° 49" W, 51.09 ft.; S 15° 38' 32" W, 77.88 ft.; S 11° 24' 24" E, 116.30 ft.; S 4° 05' 08" E, 70.18 ft.; S 8° 44' 46" W, 131.52 ft.; South 94.00 ft.; S 20° 33' 22" E, 59.80 ft.; S 13° 43' 20" E, 88.53 ft.; N 23° 15' 09" W, 139.32 ft.; N 1° 44' 08" W, 66.03 ft.; N 4° 08' 42" E, 138.36 ft.; N 7° 02' 27" W, 252.91 ft.; N 11° 18' 36" E, 81.58 ft.; N 14° 49' 35" W, 70.34 ft.; N 43° 17' 55" W, 71.45 ft.; N 86° 43' 46" W, 35.06 ft.; S 53° 58' 21" W, 68.01 ft.; S 32° 13' 43" W, 54.38 ft.; N 20° 25' 06" E, 146.18 ft.; N 5° 09' 07" E, 122.49 ft.; thence N 17° 19' 08" W, 97.42 ft., more or less, to an intersection with said compromise boundary line between Rancho Los Alamitos and Rancho La Bolsa Chica; thence Northeasterly along said compromise boundary line to the true point of beginning.

The foregoing description embraces 1.1 acres more or less.

The basis of bearings for the foregoing description from the point of beginning to the true point of beginning is that certain course in the deed to Lomita Land and Water Company recorded December 7, 1908, in Book 160, Page 282 of Deeds, Records of the County of Orange, State of California recited in said deed as North 49-1/2° East 42.77 chains, more or less.

The basis of bearings for the foregoing described parcel from true point of beginning to the intersection of the last course, recited in the above description as N 17° 19' 08" W, 97.42 ft.; with said compromise line is the California Coordinate System, Zone 6.

EXCEPTING AND EXCLUDING THEREFROM THE 0.13 ACRE OF ABOVE AREA INCLUDED WITHIN PARCEL III WHICH IS DESCRIBED IN EXHIBIT 6.

EXHIBIT 5

Parcel II

That portion of Fractional Section 19, T. 5 S., R. 11 W., in the Rancho Las Bolsa Chica, in the City of Huntington Beach, County of Orange, State of California, as per map recorded in Book 51, Page 13, of Miscellaneous Maps, Records of said County, and that portion of the land described in deed to F. E. Robinson recorded August 21, 1903 in Book 85, Page 138 of Deeds, Records of said County, described as follows:

A strip of land 75 feet in width, lying 37.50 feet on each side of the following described center line:

Beginning at the intersection of the North line of said Fractional Section Nineteen, said North line being the center line, or its Westerly prolongation, of Smeltzer Avenue, as described in a deed recorded December 4, 1924 in Book 552, page 259 of deeds, records of Orange County, with the Southwesterly prolongation of the compromise boundary line between Rancho Los Alamitos and Rancho Las Bolsa Chica; per instrument recorded in Book 115, page 284, records of Los Angeles County, California; thence Southwesterly along the said Southwesterly prolongation 1841.30 feet, more or less, to the most westerly corner of the land described in the deed to Lomita Land and Water Company, recorded December 7, 1908 in Book 160, page 282 of Deeds; said westerly corner, which bears North $51^{\circ} 19' 56''$ East, 1302.71 feet (N $52^{\circ} 30' 32''$ E 1302.68 feet California State Coordinate System Zone VI Grid) from an iron pipe at the intersection of the Southwesterly line of the 50 foot Pacific Electric Right-of-Way and the Northwestern line of Anderson Street at the Southeast end of the Surfside Colony, Orange County, thence S $61^{\circ} 00' 00''$ E 1680.80 feet and S $60^{\circ} 08' 44''$ W, 233.68 feet to the True Point of Beginning; thence S $60^{\circ} 08' 44''$ W, 545.45 feet to the beginning of a tangent curve concave to the east and having a radius of 125 feet; thence southerly along said curve through a central angle of 90° a distance of 196.35 feet; thence tangent to said curve S $29^{\circ} 51' 16''$ E 410.42 feet to the beginning of a tangent curve concave to the west and having a radius of 300 feet; thence southerly along said last mentioned curve through a central angle of $48^{\circ} 19' 24''$ a distance of 253.02 feet; thence tangent to said last mentioned curve S $18^{\circ} 28' 08''$ W 203.34 feet to the beginning of a tangent curve concave to the east and having a radius of 126.84 feet; thence southerly along said curve through a central angle of $61^{\circ} 11' 32''$ a distance of 135.47 feet; thence tangent to said last mentioned curve S $42^{\circ} 43' 24''$ E 5.00 feet to the northwesterly line of Tract No. 21 as per map recorded in Book 9, Page 22 of Miscellaneous Maps, Records of said County, the side lines of said 75 foot wide strip of land being lengthened or shortened so as to terminate at the northerly end in a line parallel with and distant 200 feet southwesterly measured at right angles from that certain course recited herein as S $61^{\circ} 00' 00''$ E 1680.00 feet, and so as to terminate at the southerly end in said northwesterly line of Tract No. 21.

Parcel II (Cont'd)

The foregoing description embraces 3.05 acres more or less.

The basis of bearings for the foregoing description is that certain course in the deed to Lomita Land and Water Company recorded December 7, 1908 in Book 160, Page 272 of Deeds, Records of said County, recited in said deed as N 49-1/2° E 42.77 chains, more or less.

EXHIBIT 6

PARCEL III

Those portions of Fractional Section Nineteen, Section Twenty, Fractional Section Twenty-nine, and Fractional Section Thirty, all in Township Five South, Range Eleven West, S.B.B. & M., in the County of Orange, State of California, described as follows:

Beginning at the intersection of the North Line of said Fractional Section Nineteen, said North line being the center line, or its westerly prolongation, of Smeltzer Avenue, as described in a deed recorded December 4, 1924, in Book 552, page 259 of Deeds, records of Orange County, with the Southwesterly prolongation of the compromise boundary line between Rancho Los Alamitos and Rancho La Bolsa Chica; per instrument recorded in Book 115, page 284, records of Los Angeles County, California; thence Southwesterly along the said Southwesterly prolongation 1,841.30 feet to the true point of beginning of Parcel III which bears North $51^{\circ} 19' - 56''$ East 1,302.71 feet from an iron pipe at the intersection of the Southwesterly line of the 50-foot Pacific Electric Right-of-Way and the Northwesterly line of Anderson Street at the Southeast end of the Surfside Colony, Orange County; thence, from the aforementioned true point of beginning, along said Southwesterly prolongation as shown on Record of Survey recorded in Book 37, page 31, records of said County, S $49^{\circ} 35' - 40''$ W, 213.65 feet; thence S $61^{\circ} 00' - 00''$ E, 278.02 feet to the common boundary line between the land conveyed by F. E. Robinson to the Lomita Land and Water Company, a corporation, by deed recorded in Book 160, page 282 of Deeds, records of said county, and land conveyed by F. E. Robinson and wife to Sunset Beach Company, a corporation, by deed recorded in Book 108, page 46 of Deeds, records of said County; thence along said common boundary line N $16^{\circ} 24' - 27''$ W, 284.88 feet to the true point of beginning.

The basis of bearings for the foregoing description is that certain course in the deed to Lomita Land and Water Company recorded December 7, 1908, in Book 160, page 282 of Deeds, Records of the County of Orange, State of California recited in said deed as North $49 - 1/2^{\circ}$ East 42.77 chains, more or less.

The foregoing description embraces 0.638 acres of land.

EXHIBIT 8DESCRIPTION OF SURFACE EASEMENT TO
CALIFORNIA STATE LANDS COMMISSION FOR
PURPOSES OF OIL, GAS AND MINERAL DEVELOPMENT

That portion of Section 19, T. 5 S., R. 11 W., S.B.M. in the County of Orange, State of California, as per map recorded in Book 51 P. 13, Miscellaneous Maps, records of said County, described as follows:

Beginning at an Iron Pipe at the intersection of the southwesterly line of the 50 foot Pacific Electric Railway Right of Way with the northwesterly line of Anderson Street at the southeast end of the Surfside Colony, in Orange County, California, thence S $46^{\circ} 38' 20''$ E, 4386.93 feet to a point in the northeasterly line of the right of way of Pacific Coast Highway (U. S. Alternate 101) 100 feet in width, said point being approximately at State Highway Station 183 plus 61.35, and said point being the true point of beginning, thence N $81^{\circ} 10' 36''$ E 125 feet; thence S $45^{\circ} 59' 39''$ E 185 feet; thence S $81^{\circ} 10' 36''$ W 125 feet, more or less, to said northeasterly Pacific Coast Highway right of way line; thence northwesterly along said right of way line 185 feet, more or less, to the true point of beginning.

The basis of bearings for the foregoing description is the California State Grid, Zone 6.